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ABSTRACT

This report describes the issues to be considered and the decisions required for developing a plan to equalize resource distribution in District of Columbia schools. It compares the specifications for equalization under the court-ordered Wright Decree with those of Title I. It considers concepts of equality, resources to be equalized, definition of the components of the equalization plan, the means of comparison designated, and the requirements for reporting and maintaining compliance. The report concludes that there are many possible equalization plans that might be developed to conform to or go beyond the court order. (Author/JM)

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ISSUES CONCERNING THE CONSTRUCTION OF AN EQUALIZATION PLAN FOR THE ALLOCATION OF SCHOOL RESOURCES IN THE DISTRICT OF COLUMBIA

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The Education Policy Research Institute (EPRI) is a new research division of the Educational Testing Service. It was founded on January 1, 1975 by Joel S. Berke with his colleagues from the Washington offices of the Educational Finance and Governance Center of Syracuse University Research Corporation. Since then, new staff members have been added in both the Washington and Princeton offices.

The Institute addresses policy issues central to educational finance and governance such as equity in resource allocation, uses of educational assessment, and effectiveness of alternative educational strategies. These problems are approached from an interdisciplinary perspective: educational, administrative, sociological, political, economic, legal, and anthropological.

EPRI maintains working relationships with the Columbia Teachers College, the Eagleton Institute of Rutgers University, the Education Law Center, Inc., the Legislators' Education Action Project of the National Conference of State Legislatures, the National Lawyers' Committee for Civil Rights Under Law, the New Jersey Education Reform Project, and the Woodrow Wilson School of Princeton University.

Joel S. Berke, Director

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by

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June 1976

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This report represents one part of a joint effort of D. C. Citizens for Better Public Education, the Lawyers' Committee for Civil Rights Under Law and the Education Policy Research Institute to assist the D. C. Public School System in developing alternative approaches to allocating resources equitably among the District schools. Education Policy Research Institute had primary responsibility for delineating the issues to be considered in constructing an equalization plan.

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INTRODUCTION

In 1973, D.C. Citizens for Better Public Education (D.C. Citizens) received a grant from the National Institute of Education (NIE) to study the effect of the Hobson v. Hansen decisions[1] on the allocation of resources to the elementary schools in the District of Columbia. The results of that study indicated that following the 1971 court order there was greater equality in the distribution of teaching resources as defined by the decrees. However, there was widespread dissatisfaction with current demands and practices concerning "equal educational opportunity" in the District of Columbia Public Schools. Furthermore, the study found that the administrators in the District of Columbia school system felt that their efforts to provide an equal educational opportunity to all children were made more difficult by the necessity of complying with both the Title I comparability resource allocation requirements[2] and the court ordered distribution scheme. These two distribution schemes require different demonstrations of how funds have been equalized, and school administrators believed that joint compliance, even if numerically possible, was educationally unsound. Finally, the study indicated that present information difficulties within the school system hampered any discussion of change regarding equalization.[3]

In 1975 the Ford Foundation awarded D.C. Citizens a grant to assist the District of Columbia Public School System in developing a method of equalization that would be educationally sound, fiscally possible, and politically and administratively feasible. Working with the Education Policy Research Institute (EPRI) of the Educational Testing Service (ETS) and the Lawyers' Committee for Civil Rights Under Law (Lawyers' Committee), D.C. Citizens conducted the following tasks:

1. A review of existing statutes, rules, regulations, court decisions, contracts, etc., in order to understand current legal constraints and possibilities regarding the role of decentralization in equalization.

2. A description of current decision-making practices in the school system regarding pupil assignment, personnel changes, curriculum implementation, school supplies, and budget preparation.

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[1]Hobson v. Hansen, 269 F.Supp. 401 (DDC 1967), hereafter cited as Hobson I. Also, Hobson v. Hansen, 327 F. Supp. 844 (DDC 1971), hereafter cited as Hobson II, or the Wright Decree.

[2]20 U.S.C. 241 e(a)(3)(c); 45 CFR 116.26 (1975).

[3]Joan Baratz, A Quest for Equal Educational Opportunity in a Major Urban School District: The Case of Washington, D.C., prepared for the D.C. Citizens for Better Public Education under NIE Grant #NE-G-00-3-0201, 1975.

3. An analysis of the data needs of a school-by-school management information system (including administrative requirements).

4. A description of issues to be considered and the decisions required for developing a resource allocation plan for equalization.

The first task was the primary responsibility of the Lawyers' Committee, the second of D.C. Citizens and the third and fourth of EPRI.[1] This report represents the fourth task. It was not our intent here to suggest a single model for equalization; rather we have prepared this document to serve as a possible guide to some of the critical issues that any equalization resource plan must consider, and to present some, but not all, of the choices that the creators of a new equalization plan must make.

In developing this paper we have operated under the following assumptions:

1. An equalization plan is a method for distributing resources. It consists of three parts: the general rules for distribution (including a definition of equality and a statement of the resources to be distributed); a description of the implementation of the general rules (including precise definitions of each of the resources); and, a description of how the equalized distribution plan is to be maintained during the school year (including a description of compliance and monitoring procedures).

2. Alternative equalization plans can be generated by changing any or all three components of an established distribution plan.

3. An alternative equalization plan for the District of Columbia may be developed in several ways -- by seeking changes in the Wright Decree, by seeking changes in the Title I regulations, by seeking changes in the manner in which the District implements the court order and the regulations.

4. Although the current court order applies only to the elementary level, there is no reason why an alternative plan could not apply to both the elementary and secondary levels.

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[1]Applied Urbanetics, Inc. in cooperation with EPRI and D.C. Citizens prepared the third report, Procedures for Developing a School Based Information System in the District of Columbia, 1976.

5. No sound alternative equalization plan can be developed, implemented and maintained without an information system that can readily and continually supply the data upon which the distribution of resources is based.

6. This document is intended to pose the kinds of questions that must be answered in constructing an alternative equalization plan, and the kind of information that is needed to answer those questions; it does not propose an alternative distribution plan as a substitute for the present one.

7. It is the task of the school administration, in consultation with the school board, to develop an alternative equalization resource plan.

The report is divided into four sections: (1) background; (2) decisions to be made in constructing an equalization plan; (3) specifics of the Wright Decree and the Title I Regulations; and (4) some of the options available to the District.

BACKGROUND

School Finance Reform

The late sixties and early seventies have witnessed a growing interest in school finance reform as a major avenue to the provision of equal educational opportunity. In 1965, Arthur Wise suggested that the manner in which states fund public education might well be unconsitutional since geography and the wealth of the neighborhood in which a child lived conditioned the amount of funds available for his/her education.[1] Districts within a state varied widely in the amount of funds they were able to raise for education, and therefore, the amount of money available to a particular child for education was largely dependent on the wealth of the district in which he lived. Wise reasoned that children who lived in poor neighborhoods were being denied an opportunity for an equal education.

The first interdistrict case which alleged discrimination in school funding was McInnis v. Shapiro.[2] In that case, the plaintiffs alleged

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[1]Arthur E. Wise, "Is Denial of Equal Educational Opportunity Constitutional?" Administrator's Notebook 13, no. 6 (February 1965).

[2]McInnis v. Shapiro 293 F. Supp. 327, 331 (N.D. Ill. 1968), aff'd. per curiam sub. nom., McInnis v. Ogilvie 394 U.S. 322 (1969). See also, Burrus v. Wilkerson, 310 F. Supp. 572 (WD VA 1969), aff'd. per curiam 397 U.S. 74 (1970).

denial of equal protection because school funding was based on capricious and arbitrary classifications of school districts and students rather than on student need. In addition, the plaintiffs charged that state imposed limitations on tax rates discriminated against districts with low property valuations, since districts with high valuations could raise more revenue at the same or lower tax rates. The court was asked to require that the distribution of funds be based on educational need. The court felt that it lacked the expertise to determine if educational needs had been properly defined and met, and the case was dismissed.

In a subsequent successful challenge based on a more measurable constitutional test developed by Coons, Clune and Sugarman, the basic litigation strategy for school finance reform was established.[1] The constitutional test that was developed and used in Serrano v. Priest is known as fiscal neutrality. Fiscal neutrality simply defined requires that "the quality of public education may not be the function of wealth other than the wealth of the state as a whole."[2] Using this strategy, cases were developed in several states and the inequitable funding patterns were declared unconstitutional. In 1973, however, the Texas case, San Antonio v. Rodriguez was appealed to the Supreme Court. In a sharply divided opinion the Supreme Court reversed the district court ruling and declared the Texas funding system constitutional, even if in need of reform.[3] While this decision ended challenges to funding of schools under the 14th amendment of the Federal Constitution, state funding systems have continued to be challenged successfully under state constitutions. In New Jersey the issue of unequal patterns of distributing resources was once again tied to an issue of educational needs.[4] In addition, the trial court on remand in the Serrano case found the California finance system to be a violation of the equal protection clause of the California Constitution.[5]

The issues of much of the litigation and subsequent reform legislation revolve around problems relating to the manner in which funds are

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[1]John E. Coons, William H. Clune, and Steven D. Sugarman, Private Wealth and Public Education Cambridge: Harvard Press, 1970.

[2]Serrano v. Priest, 483 P. 2d 1241, 1244 (Cal. 1971).

[3]Rodriguez v. San Antonio Independent School District, 337 F. Supp. 280 (WD Tex. 1971).

[4]Robinson v. Cahill, 62 N.J. 473, 303 A. 2d 273 (1973). See also Horton v. Meskill, 31 Conn. Sup. 377 332 A. 2d 813 (Hartford County Superior Court, 1974).

[5]Serrano v. Priest, Unreported opinion, C. A. No. 938, 254 (Los Angeles County Superior Court, April 10, 1974).

raised for public education and the way in which state funds are distributed to districts. Policy questions raised in school finance legislation focus on the failure of equalization laws to overcome disparities in educational revenues among districts.[1]

The school finance reform movement has focused on the responsibility of the state to provide an equal educational opportunity to all children regardless of what school district they happen to live in. While much has been done to reduce the disparities in school funding among the school districts of a state (interdistrict disparities), the problems of intradistrict disparities, that is the variation in expenditures among schools within a single district, have been rarely addressed in the school finance reform efforts.

Hobson v. Hansen[2] represents a landmark decision addressing the question of intradistrict disparities in school spending. While the 1967 decision dealt with issues of inequality of school by school spending, its original thrust, since tax rates and property valuations were not involved, was that of racial and socio-economic discrimination in pupil and teacher assignment, as reflected in per pupil expenditures.

In 1966, Julius Hobson, Sr. sued the District of Columbia Public School System, charging it with denying poor and black children an equal educational opportunity. Hobson cited as evidence of discrimination the Board's policies concerning the assignment of personnel, the assignment of children, the use of a tracking system, and the uneven allocation of resources.[3] The court found in favor of the plaintiff and ordered:

1. an injunction against racial and economic discrimination in the public school system;

2. elimination of the track system as it then operated;

3. elimination of optional pupil attendance zones;

4. provision of transportation for students volunteering to be bused from over-crowded schools to under utilized ones;

5. substantial integration of faculties; and,

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[1]"School Finance in the Seventies: The Background for Policy Development," report of the Education Policy Research Institute of the Educational Testing Service under subcontract with The Educational Finance and Governance Center of the Syracuse University Research Corporation, under contract with DHEW, OEC-0-72-5017, 1975.

[2]Hobson I and II.

[3]Hobson I.

6. preparation of a pupil assignment plan to assist in the elimination of racial and economic discrimination in the city schools.[1]

While the judge found that the discrimination of resource allocation to poor black children was in violation of the constitutional requirements of the Fifth Amendment,[2] he did not move directly to correct these fiscal inequalities at that time because it was assumed the other remedies ordered would, when implemented, automatically redress the allocation imbalance.

However, in 1969 when this did not appear to be the case, Hobson returned to court. He charged the school system with continued discrimination against poor and black children and subsequently requested that all regular budget[3] expenditures for elementary schools be equalized within ± 5% of the mean expenditures in all elementary schools.[4]

In 1971, Judge Wright once again ruled against the school system and modified Hobson's original request that total per pupil expenditures in elementary schools be equalized. The judge ordered that per pupil expenditures for teachers' salaries in each elementary school were to be equalized to within ± 5% of the mean of all elementary schools. In addition, the judge made provisions for the following exceptions:

> Schools may deviate more than five percent only with adequate justification...[which] shall include:
>
> 1. Provisions for compensatory education for educationally deprived children,
>
> 2. Special education services for the physically or mentally handicapped or other "exceptional" children,

---

[1] Hobson I at 407.

[2] Because the District of Columbia is not a state, the court concluded "that the doctrine of equal educational opportunity - the equal protection clause in its application to public school education - is in its full sweep a component of due process binding on the District under the due process clause of the Fifth Amendment." 269 Fed. Supp. at 493.

[3] The regular budget is a portion of the total D.C. budget based on income derived from local taxes and fees, and the Federal payment. The Federal payment is a general subsidy paid to the D.C. government and can be considered in lieu of property taxes on government property. The regular budget is the source of approximately 80% of the total school budget.

[4] May 19, 1970 filing by Hobson.

3. Deviation that is accounted for solely on the basis of economies and diseconomies of scale.[1]

Finally, the judge invited the school system to return to the court with a resource allocation plan of its own making:

> At some time, the Board and the school administration may adopt specific, measurable and educationally justifiable plans which are not consistent with the present order. At such time, upon a prima facie showing that the plans are reasonably designed in substantial part to overcome the effect of past discrimination on the basis of socio-economic and racial status, the court may modify the present order.[2]

Because of continued difficulties with the implementation of the court order, especially in relation to school district obligations to comply with Title I comparability regulations, the school board has made it clear that it desires the school administration to develop an alternative equalization plan.[3] Chief among the difficulties identified in present equalization efforts are the following:

1. moving of teachers results in considerable disruption;

2. equalizing dollars without regard to the types of services available to particular children does not appear educationally sound;

3. special subject services such as science, foreign language, music, etc., are unevenly distributed and some schools with small enrollments receive no such services;

4. no provisions exist for additional teacher services from the regular budget to educationally deprived pupils;

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[1] Hobson II at 863.

[2] Hobson II at 864.

[3] At the request of the Board, Superintendent Scott developed a document entitled Goal I: Educational Resources Allocation Plan, June 1973, described as a "comprehensive approach to the allocation of the school system's resources." The approach attempted to widen a school's access to educational programs, but it was admittedly not an operational plan. The Board subsequently requested that Superintendent Sizemore develop an alternative plan. Her failure to do so was one of the charges sustained during her dismissal hearings in October 1975.

5. differing resource allocation demands of the court order and of Title I comparability make it cumbersome and educationally questionable to attempt to comply with both requirements at once;

6. information required to effect compliance with both formulas is not readily available.[1]

While some of these difficulties may be the direct product of the court order, others clearly stem from the District's implementation procedures (for example, the school system has not sought exemptions provided in the court order for compensatory education and economies of scale). If the District of Columbia School System wishes to return to court with an alternative equalization plan, it will have to be able to demonstrate the following:

1. the "educationally justifiable," "specific" and "measurable" features of any proposed alternative,

2. the problems resulting directly from the present court order,

3. the manner in which the proposed alternative remedies those problems.

Thus, before returning to court the school system must be able to document the problems with the Wright Decree, demonstrate that the court order is the source of those problems, and finally demonstrate how the proposed alternative solves or alleviates the problems.

CONSTRUCTING "SPECIFIC, MEASURABLE AND EDUCATIONALLY JUSTIFIABLE" EQUALIZATION PLANS

Any alternative would, by the Judge's criteria, involve some standard against which the system is held accountable. How the criteria of a plan are defined and applied are points that must be decided on the basis of value judments, political realities, and technological feasibility.

In short, there is no ideal equalization plan. An alternative plan represents a set of trade-offs and arbitrary decisions that, taken together, will presumably (a) appear a "fair" solution to a broad segment of the community; (b) be workable and not create new problems within the system; and (c) hopefully improve education. An equalization plan is merely a rational plan for the distribution of specific and measurable school resources -- dollars, staff, and programs.

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[1]Baratz, A Quest for Equal Educational Opportunity.

When the school administration and the school board create such a distribution plan they must demonstrate that it meets four criteria mandated by the court:

1. it must be specific,

2. it must be measurable,

3. it must be educationally justifiable, and

4. it must be reasonably designed to overcome past discrimination on the basis of racial and socio-economic status.

To be specific a plan must make a clear statement of what resources are to be distributed. Thus a plan that merely states that equalization will be achieved by meeting each child's individual needs does not meet the court criteria for specificity, nor is it measurable. However, many educational psychologists stress the desirability of meeting individual needs and such a plan would no doubt be considered educationally justifiable. On the other hand, a plan could be proposed that would distribute all elementary teachers so that every school had the same absolute number. While such a plan might be considered specific and measurable, in the District of Columbia schools vary in size of student body. Therefore, such a plan would result in uneven student teacher ratios and wide variations among schools, and would be rejected as educationally unjustifiable. It is, of course, unlikely that such a plan would be suggested.

The literature on educational effectiveness is highly debatable. While various researchers favor particular solutions for educating minority group, inner city children -- e.g., small class size, additional support services, teachers of similar ethnic background, bilingual bicultural education, experienced teachers, integrated classes -- none of this research is definitive. While studies can be found that will support such proposals as educationally sound, other researchers have found such practices insignificant in improving educational performance. However, all such procedures have been designed in part to overcome the effects of past racial and socio-economic discrimination and would no doubt be considered educationally justifiable, even if not always educationally effective. It would be difficult to imagine any plan to give poor black children additional educational services, dollars or materials that would not appear justifiable in the eyes of the court provided the rest of the city's children were not deprived of basic educational services.

Construction of an equalization plan then involves making a series of decisions concerning:

1. What is the definition of "equality?"

2. What resources should be equalized?

3. How are the critical elements defined?

4. What will be the means of comparison?

5. How will compliance be maintained?

6. What factors must be considered in creating alternatives?

This chapter begins by analyzing the basic conceptual question involved in designing an equalization plan -- defining equality, and then proceeds to a detailed explanation of specific factors that must be considered in developing an alternative plan that is specific, measurable and educationally justifiable.

1. What is the Definition of "Equality?"

The first and basic judgment that any alternative plan must deal with is the question of equality. What does equality mean? Equal for whom? To what end? It is clear that different alternatives may represent diverse implementations of the same concept of equality.

There are two basic notions of equality that any plan must choose between:

1. equal treatment for everybody, and

2. different treatment for people with different needs.[1]

In constructing an alternative within the first notion of equality it is necessary to determine what is to be equalized (dollars, teachers, programs, materials, etc), and how it is to be distributed. Fairness here is defined by sharing everything to be divided without regard for any differences among the individuals to whom it is given. Everybody is treated in the same manner.

An example of such a concept of equality is the policy concerning the distribution of free milk to children. In many school systems all children in kindergarten receive free milk regardless of (a) their access to food at home; and (b) their ability to pay.

Some argue that an equalization plan based on the same for all is not equitable since there are great differences among the individuals receiving the goods or services. This argument would say that a fair plan must take

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[1]Some writers refer to this second definition of equality as "equity."

into account these differences. An example of such a notion of equality in school policy is the distribution of additional funds for special education children beyond those of the average pupil. The policy defines fair in terms of need rather than sameness. Such a policy results in different costs to different children for their educational programs.

A plan that decides to treat differences must decide not only which differences shall be taken into account, but also how they shall be defined. For example, some educators might argue that poverty is a factor that must be compensated for in a fair equalization plan. Others might argue that age is important and that more money should be given to young children if a plan is to be considered equitable. Still others might argue that age is important and that more money should be given to young children if a plan is to be considered equitable, Still others might argue that ability to speak English should beconsidered in developing an equalization plan, and additional funds should beallotted as part of the equalization proposal to children who are not fluent speakers of standard English. Once the differences are identified, any equalization plan must define those differences more specifically. For example, a plan may be drawn up that says that children from families in poverty shall receive additional resources. Such a plan must decide on some indicator of poverty -- eligibility for free lunch, family income, or per capita resources. The possibilities are extensive. Similarly, a plan that wishes to take into account age differences must identify the grade levels that might be involved. Again, if the differences of non-English speaking or bilingual children are to be considered a plan must be specified as to how such children will be identified -- test results, self identification, Spanish surname, etc.

Clearly, one would want to know how the children are distributed (how many, where, what grades, etc.), according to the various possible definitions. Once having made a decision as to the definitions of the differences to be considered (presumably with attention to the effect of the definition on who is identified), the plan must next decide on the quantity of additional resources such individuals shall receive (double, one and a third, a sliding scale, etc.). Once again, there are many possibilities. A decision, arbitrary as it would necessarily be, would hopefully consider the effect on the system. For example, if poverty were defined at a level of family income below $4,000 per annum, and it was decided that "poverty" children receive 1.3 times the level of funds that "non-poverty" children receive, what would be the pattern of distribution of resources for each school? Could the system afford to pay this additional sum and still provide adequate service to all children?

2. What Resources Should be Equalized?

Regardless of whether a decision is made to create a plan that treats differences, or considers everyone the same, any alternate plan must decide what specific resources shall be equalized. Should equalization be based on expenditures, services or programs? Whatever measure is chosen, an additional decision must be made regarding which expenditures, which services and which programs. These concepts are rarely discrete and most plans contain some combination of these resources. It is the focus on a particular concept that distinguishes plans.

Of the three concepts, expenditures is the most straightforward. For example, a plan to equalize school resources based solely on expenditures would not consider either the type, the quantity, or the cost of individual resources but would only consider the total amount of funds available to each school. Nonetheless, if one decides to equalize expenditures, a series of questions must still be answered: Shall total expenditures be equalized? Shall only expenditures for personnel be equalized? Shall expenditures for only specific staff be equalized?[1]

A plan based on services, on the other hand, focuses on the type and quantity of the resources to be equalized. A service equalization plan reflects the notion that dollars are not an appropriate indicator of an adequate education since dollars do not guarantee that specific educational services will be delivered. Therefore a service plan at the school level delineates the amount of services -- teachers, teacher aides, counselors, librarians, etc. -- each school will receive.

Program equalization focuses on specific combinations of services. These may generally be defined in terms of curricula offerings. While we have attempted to separate these three concepts for clarity it is obvious that in creating equalization plans, the concepts tend to run together -- dollars buy services, services deliver programs. An equalization plan need not be based solely on expenditures, or services or programs. A plan could be developed that combined features from each of those components. The possibilities are many and therefore creation of an equalization plan must consider the realities of the school system in terms of available resources and the effect on individual schools of choosing a particular resource distribution base for equalization.

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[1]During the Hobson II proceedings the plaintiff requested that all expenditures be equalized. The final order, however, required that only expenditures for teachers in elementary schools be equalized.

3. How are the Critical Elements Defined?

While any alternative plan must define a concept of equality, and indicate on what basis it will equalize, the development of the plan requires additional decisions. There are several issues that are critical to any plan. They include the definition of a pupil, a teacher and expenditures.

Pupil. Since all education involves pupils the definition of a pupil is the cornerstone of any plan. While superficially the definition of a pupil appears trivial and uncomplicated, in fact, the results of any equalization plan may be significantly affected by this decision. The actual amount of resources disbursed to a unit (pupil, class, school, or region) can vary dramatically depending on the definition employed.

First a choice must be made as to whether pupils shall be counted on the basis of membership or attendance. Membership is defined by the number of students enrolled, whereas attendance is defined by the actual presence of enrolled students. In school systems where attendance rates vary across the district, a pupil definition that incorporates attendance will work a hardship on schools with poor attendance records. Research has indicated that absentee rates tend to be higher in poor, inner city neighborhoods. Thus, a definition based on attendance would reduce the resources to schools in these neighborhoods.

Another question is shall the data represent a single point in time or an average? The fact that point in time data does not reflect variations during the school year makes the choice of the data critical in school systems where enrollments or attendance fluctuate seasonally. Since enrollment and attendance in poor areas tends to decline more rapidly during the year than in more affluent neighborhoods, a point in time close to the opening of the school year optimizes resources for poor neighborhoods. These neighborhoods would receive fewer resources if an average measure or a later point in time were used. Regardless of the pros and cons in terms of equity, a point in time definition greatly eases the burden of data collection and might be chosen for this reason.[1]

A decision that must be made is whether "pupil" is to be equated with a simple body count or whether "pupil" will be considered in terms of the amount of time he or she consumes the resource. For example,

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[1]For an extended discussion of choice of data source for pupil counts, see The Silken Purse: Legislative Recommendations for Title I of ESEA, The Planar Corporation, 1973.

many kindergarten children attend school only half day, while other children may be on part-time sessions: Should these part-time children be counted as one pupil each or should they be counted on the basis of full-time equivalents (FTE)? If half day kindergarten students were counted on an FTE basis each child would be counted as a ".5 pupil."

The definition of a pupil may be further refined by the incorporation of features that accomplish specified goals. One device for providing additional resources to specific students is the use of weighting factors for different types of pupils. Thus, a weighting system could count an elementary student as 1.0, an elementary student with low reading scores as 1.2, an elementary student with special problems as 1.4, etc. While the possibilities are vast as to what characteristics might be treated differentially, the decisions as to what weight those differences will carry is also critical.

Other problems endemic to the system can also be dealt with through a variation in the pupil definition. For example, to deal with declining enrollments a system might develop a plan to lessen the impact of the decline by recognizing only half the pupil decline when distributing resources. A school that in 1975 has 500 pupils, but had 600 in 1974, would in this definition of pupil count be considered to have 550 pupils.

Teacher. If the base for equalization is "expenditures for teachers," then both "teacher" and "expenditure" must similarly be clearly defined. What is a teacher? Are we dealing only with certified classroom instructors? Are we to include special instructors such as art teachers? Is a counselor or a psychologist or a teacher aide or a teacher coordinator to be considered a teacher? Are parents who contribute time teachers?

Expenditure. Once a teacher has been defined, salary expenditures must be delineated. If there is more than one fund source, expenditures from which source should be included? Should indirect expenditures such as salary benefits be included in the definition?

An additional factor is the decision concerning annualized versus cumulative expenditures. To compute annualized salary expenditures one must first select a specific time period and determine the teacher services available. Then, assuming the services will be maintained at the same level during the year, compute the annual expenditure for these services. To determine cumulative salary expenditures, one must determine all money paid out for teachers' salaries to a specific date, or over a specific time period.

If annualized expenditures are chosen, the problem of how to treat vacancies arises. Including the salaries for teacher vacancies in the annualized expenditure runs the risk that the teacher may never be assigned or the teacher assigned may be at a lower cost. On the other

hand, if vacancies are excluded from the original computation it would be difficult if not impossible to fill such slots at a later date without disturbing the equalization.

Another important issue concerns whether expenditures for experience (longevity) shall be included in the definition. A decision to exclude longevity payments is based on the belief that teacher experience generally is not a significant index of quality. Research is inconclusive on this matter. However, it indicates that on the whole more affluent neighborhoods and schools tend to have more experienced teachers.[1] Therefore, some argue that regardless of the value of teacher experience, longevity payments should be included in an equalization plan. They reason that since in education one does not know with any certainty what is important for quality, and since experienced teachers tend to congregate in wealthier areas, inclusion of longevity provides poor neighborhoods with the flexibility to use the additional funds on other factors.[2]

4. What Will be the Means of Comparison?

Degree of Variance. Not only must a plan define the factors to be equalized, it must also indicate the necessary comparisons to assure that equity is achieved. For example, using the case of teacher expenditures the question arises as to what degree of variance should be allowed -- 5%? 7%? 10%? 25%? What shall be the standard to determine that the system is complying with the plan? In addition to a standard for compliance that indicates the degree of variance, another factor that must be decided is how often that comparison should be made. For example, the school system currently interprets the Wright decree to require compliance at a single point in time -- another plan might require weekly, monthly, quarterly, or continual demonstrations of compliance.

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[1]D. Greenberg and J. McCall, Analysis of the Educational Personnel System: Teacher Mobility in San Diego, Rand Corporation, 1971.

[2]Anita Summers and Barbara Wolfe, "Which School Resources Help Learning? Efficiency and Equity in Philadelphia", Business Review 4 (Feb. 1975). For example, consider two schools of equal size and a staff of 10 teachers. In both schools the teachers have comparable training but School A has a staff with no experience and in School B each teacher has 10 years experience. The expenditure for longevity is $500 per teacher for each year of experience or $5,000 for each teacher (500 x 10). If longevity were included in the definition of expenditures for equalization, School A would have $50,000 to spend for additional teachers, reducing class size to compensate for teachers' lack of experience.

Level of Aggregation. Along with deciding the degree to which the measures may vary, decisions must be made as to what level and what unit shall be compared? Will the resources to be equalized be compared at the pupil level, the classroom level, the school level, or the regional level? For example, suppose a plan were developed that equalized total expenditures so that each student received the same amount of funds. The most precise way of achieving this goal would be to compare the educational costs of each student with every other student. In most school systems such an accounting is not available. Thus, comparisons of pupil cost generally represent average expenditures on pupils at the classroom, school, region or district level.

One attempt to compare costs at the pupil level is the voucher system that is being implemented in Alum Rock, California. This plan assigns a set amount of dollars per pupil and allows each pupil and/or parent to choose the school at which the dollars will be spent. The money follows the student should he change schools. Such a system of student level aggregation involving a set stipend for all students was made possible by two factors:

1. funds from the Federal government to establish and maintain such a detailed system, and

2. a relatively small student body.[1]

Like the present Alum Rock voucher plan, the Wright Decree in the District of Columbia makes the amount of money available in school contingent upon the number of students in attendance.

5. How Will Compliance be Maintained?

An equalization plan involves the distribution of educational resources and as such it should be completely integrated into the very fabric of the decision-making process of the school. It cannot be regarded as an isolated once a year event, if disruptions are to be minimized. For example, leave, transfer, illness, etc. is normal during the course of the year. If the effect of equalization is considered in decisions regarding the hiring, transfer, and replacement of teachers in a school, it is likely that there will be little need for massive teacher shifts in the beginning of the school

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[1]Discussion with the budget director of the Alum Rock school district indicates that now that the Federal funds are reduced, the expenditure accounts are being aggregated at the school level. Alum Rock student population during the original voucher experiment was 3,900. The experiment involved only 6 elementary schools.

year in order to report compliance with equalization to the court. Two implementation procedures can assist in reducing the disruption due to teacher shifts during the school year: (1) equalize before the beginning of the school year, and (2) maintain compliance during the course of the school year.

How to Equalize Ahead of Time

In order to equalize ahead of the school year it is necessary to have accurate information on resources and pupils. Thus, if distribution is based on a budget that is later frozen so that vacancies cannot be filled, problems will arise because the actual resources to be equalized will be different from those anticipated. Similarly, if the distribution is based on projected pupil counts that are highly inaccurate, adjustments may have to be made because too few or too many resources may be assigned to a school.

One way to avoid some of these problems is to design a plan that uses past information, whether the previous year's average daily membership or a prior point in time, as the basis for the coming year's equalization plan. This was a feature of the original Wright Decree, but since adequate average daily membership figures did not exist in 1971, the school system requested an alteration of the court order to allow the use of present school year, point-in-time data.

One objection to using past data is that it does not deal adequately with shifts in enrollment due to factors such as increased housing in an area, or the opening or closing of schools. While equalization ahead of time might be desirable, adjustments on the basis of the current pupils and resources should be possible if past data or forward projections are not accurate.

Two procedures may be used to reduce the disruptions caused by the use of inaccurate data. First, a more stringent criteria may be used for resource distribution to allow for shifts in enrollment or in available resources. Thus, if the plan required the variance to be within 5% for each school, schools might be equalized over the summer to a variance of 3%.[1] Second, a portion of the resources can be withheld. Thus, if teachers are the base of a plan, 3% of the teachers could be left unassigned at the beginning of the school year and subsequently placed in schools needing extra resources for compliance.

Maintaining the Equalized System

While the procedures described above deal with achieving equalization with minimal disruptions, the question remains as to how to maintain the

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[1]The District of Columbia school system equalized to within a variance of 3% for the 1975-76 school year.

equalized system. It would appear that the maintenance of an equalized system is chiefly dependent on the following factors: (1) up to date information; (2) a procedure for "flagging" those units that are in danger of being out of compliance; and (3) incorporation of equalization into the normal operation of the school system. Thus, if an equalization plan were based on teacher expenditures, current information on teacher expenditures and pupil counts would be needed. In addition, the information would have to be analyzed to determine actual or potential problems with equalization. And finally, before teachers were assigned, consideration of the effect on Title I compliance would have to be made.

6. What Factors Must be Considered in Creating Alternatives?

While the creation of an equalization plan involves a series of decisions concerning resources and the fair way to distribute them, those decisions cannot be made without consideration of the manner in which the school system operates. An understanding of the system is essential to determining the potential effects of any equalization plan. Critical factors in the system include those related to available resources, size, legal obligations, administrative structure, and information retrieval.

Available Resources. Obviously, the availability of resources is an important aspect of any equalization plan. One cannot equalize resources that do not exist. A plan that uses a particular pupil/teacher ratio, or that equalizes on the basis of student need must consider the system's available funds.

Size. A related problem that must be considered in any plan is the effect of size -- economies and diseconomies of scale. If a system has great variety in the size of its schools, or has several schools on the extremes then it may be necessary to build in a component to deal with the economies and diseconomies of scale. For example, schools under a certain size might be equalized separately with a separate mean established for them.

While it may be possible to develop a model that defines components in a manner that includes all schools regardless of size, a plan suited to the system in general may cause undue hardship to a small school. In such an instance an alternative plan must specify the criteria to be used to judge "undue hardship" and the exception in terms of expenditures, services, or programs that might be granted such small schools. Here again, there are many possibilities, and exceptions should be developed in terms of how well they assist small schools in fulfilling the intent of the original plan.

Legal Obligations. The components of any plan must be examined in terms of their compatibility with the existing statutes, court decisions, rules and regulations and contractual obligations. For example, if a union

contract limits class size, specifies free periods, or prohibits the transfer of experienced teachers, then one must determine how equalization plans can be developed within these obligations, or how these conditions might be altered.[1]

Administrative Structure. In constructing alternatives an important consideration is the relationship of the plan to the existing administrative structure. How will the plan be incorporated into the daily operation of the system? What kind of changes, if any, will be required? For instance, the District of Columbia school system has recently decentralized into six regional units. How has this decentralization affected the distribution of teachers for equalization? Would the administrative responsibilities at the regional level be affected by the incorporation of school site decision-making into the equalization plan?

What administrative functions are performed centrally? Regionally? At the school site? Who has primary responsibility? For example, who hires and assigns staff (classroom teachers, speech teachers, art teachers, aides, and counselors)? Are all these staff hired by and responsible to the same office?

Suggestions for equalization plans have been put forth that call for "equal access," "community control," or lump sum school site budgeting. These aspects of a plan are not issues of equalization per se but rather are administrative procedures concerning where decisions are made. Thus, the D. C. equalization plan governing the allocation of classroom and special subject teachers remained the same when in 1973 the school system shifted from central decision making to a modified lump sum budget procedures which permits principals, with some community input, to make recommendations concerning the type of special subject teachers they wish to have.

The definitions of equality, resources and the means of comparison determine how much latitude is available for choice by administrators either at the central or the local level. Thus, for example, a plan that specified dollars, services and programs would leave little room for options at any administrative level. On the other hand, a plan that specified equalization of total dollars could be a plan for lump sum budgeting at the school site level and allow for considerable latitude in decision making about what kind of educational program such dollars bought. The equalization plan sets the limits within which decisions can be made -- where they are made is a question of how the plan is implemented.

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[1]For an examination of these constraints regarding the D.C. Public Schools, see, Legal Constraints on Decentralization in the Public School System of the District of Columbia, prepared by the Lawyers' Committee for Civil Rights Under Law, 1976 as part of this project.

Information Retrieval. Another system consideration is the availability of information. What information is necessary for developing, implementing and monitoring the equalization plan? Is that information presently available? Can that information be obtained? As our earlier study of the Wright Decree implementation demonstrated, the lack of information that was accurate and accessible caused the District considerable difficulties.[1] This constraint was further highlighted when the District had to comply with both the demands of the Wright Decree and those of the Title I comparability requirements.[2] In order to assess the effect of various equalization alternatives on the system, adequate information must be present. Without some reliable notion of the impact, an alternative plan may in fact represent a "cure that is worse than the disease!"

THE WRIGHT DECREE AND TITLE I

Because at present the District of Columbia school system must comply with both a court order and Federal law and regulations concerning the distribution of funds among schools, this section will compare and contrast these two equalization alternatives within the framework for analysis developed in the preceding section: (1) concepts of equality, (2) resources to be equalized, (3) definition of the components of the equalization plan, (4) the means of comparison designated and (5) the requirements for reporting and maintaining compliance. First, we present the specifications of the two plans and then briefly we describe the manner in which each plan has been implemented by the District of Columbia.

Specifications for Equalization Under the Wright Decree and Title I

Concepts of Equality

The Wright Decree and Title I have somewhat different concepts of equality. The Wright Decree did not establish a definition of equality. The court permitted the school system to define equality either as equal treatment for all pupils, or different amounts for different types of students:

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[1] Baratz, A Quest for Equal Educational Opportunity.

[2] 20 U.S.C. 241 e (a)(3)(c).

> ...per pupil expenditures for all teachers' salaries and benefits from the regular D.C. budget in any single elementary school shall not deviate more than plus or minus five percent from the mean of all elementary schools.
>
> Schools may deviate more than five percent only with adequate justification presented to the court.[1]

The Title I legislation on the other hand, was developed in order to provide supplementary resources to certain children, and comparability regulations were designed to assure that Title I funds were used to meet "the special educational needs of educationally deprived children." Thus the notion of equality imbedded in the Title I legislation involves taking note of differences.[2]

A school may be eligible for Title I if a high concentration of children from low income families reside in that attendance area. No specific data is prescribed for use by the local educational administration in identifying poverty families but the same criteria must be used across the school district.

In order to qualify for the additional funds for educational needs of certain children, a school district must demonstrate that the state and local resources distributed to these children are at least comparable to those available to non-Title I students. Specifically the regulations require:

> (a) the number of children enrolled per instructional staff member...for each public school serving a Title I project area is not more than 105 percent of the average number of children per instructional staff member in all other public schools in the applicant's district;" and (b) the annual expenditure per child in each public school serving a project area is not less than 95 percent of such expenditure per child in all other public schools in the applicant's district.[3]

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[1] Hobson II at 864.

[2] While the original Title I legislation dealt only with poor and disadvantaged children, subsequent amendments "set aside" funds from Title I to be used for handicapped children, Indian children, agricultural migrant children, children in institutions for the neglected and delinquent, and children of migratory fishermen. Sec. 122(a)(1) 20 U.S.C. 241 C-2.

[3] 45 C.F.R. 116.26 (c)(1-2) (1975).

Furthermore, paragraph (c) of Section 116.26 provides that any school district with one or more non-comparable schools in either of the above ratios must demonstrate that the expenditure per child for textbooks, library resources, and other instructional materials and supplies in each public school serving a project area is not less than 95 percent of such expenditure per child in all other public schools in the school district.

Resources to be Equalized

Both the Wright Decree and Title I base their equalization on salary expenditures for certain staff. However, the staff members included in each plan differ to some degree. The Wright Decree bases equalization on "teacher" salary expenditures whereas Title I comparability is based on salaries for "instructional staff." In addition, Title I has a requirement equalizing instructional staff to student ratios. Finally, if a school district does not comply with Title I staff requirements by a date in October set by the U.S. Commissioner of Education, it must demonstrate comparability of expenditures for instructional materials and supplies as well as instructional staff by December 1.[1]

Definition of Components

Pupil. The Wright Decree and the Title I regulations have somewhat different definitions of a pupil. The court order is not specific as to how a pupil should be defined but does indicate a preference for the use of average daily membership by asking for this figure in the report to the court. Title I regulations, on the other hand, are specific. They require that pupil count be based on point in time enrollment figures collected no later than November 1 of the school year. A school district may use the average daily membership with permission of the state.[2]

Staff. Again the two requirements are not precisely the same, and the Wright Decree is less specific than Title I. The court order requires that expenditures for teachers' salaries be equalized, but teacher is not defined.

While the judge restricted his order to teachers in elementary schools he did not specify the grade range to be included as elementary nor the type of staff to be included as "teachers." The course of the litigation and the judge's opinion indicate that (a) the definition must include elementary

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[1]Failure to comply with comparability by December 1 could lead to loss of Title I funds.

[2]For purposes of compliance with Title I, the District of Columbia is considered a "state."

classroom and special subject teachers (art, music, foreign language, language arts, science, reading, math and physical education); (b) that librarians and counselors shcuild be separated out;[1] and (c) that the system had options over whether to include such staff as speech teachers, early childhood specialists, special education teachers, teacher aides, etc.

Title I regulations define staff included in comparability as follows:

> The term 'instructional staff members'...means staff members who render direct and personal services which are in the nature of teaching or the improvement of the teacher-learner situation. The term includes teachers, principals, consultants, or supervisors of instruction, librarians, and guidance and psychological personnel; it also includes aides or other paraprofessional personnel employed to assist instructional staff members in providing such services. (emphasis added.)[2]

Expenditures. The court order and Title I differ in their definition of expenditures. The Wright Decree ordered that expenditures for teachers' salaries were to include payments for longevity and benefits. Although the court did not indicate how expenditures were to be computed, it did identify the source of funds upon which equalization was to be based:

> the regular D.C. budget (excluding Title I ESEA funds, UPO funds, and, in general, all funds not from the regular congressional appropriation).[3]

The court order indicated that the funds to be included were those over which the District administrators had discretion. While Federal categorical funds, such as Title I were definitely excluded, the decision to include discretionary funds and District categoricals such as bilingual education funds was left to the implementors.

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[1] Hobson II, 848, footnote 7. In his order of March 5, 1971, the judge requested that counselors and librarians be excluded from the data submitted. However, the District was unable to do this, and the data submitted and stipulated to in the decision included librarians and counselors.

[2] 45 C.F.R. Sec. 116.26 (b)(7) (1975).

[3] Hobson II at 864.

Title I on the other hand, defines expenditures as:

> the total amount of state and local funds being expended on an annual basis for salaries for instructional staff members less the amount of such salaries based on length of service (longevity).[1]

Even though longevity payments are excluded, Title I regulations require that such expenditures be reported. No mention, however, is made concerning the treatment of benefits (for example, pensions, insurance, health benefits).

The source of funds specified in Title I is all state and local expenditures for instructional staff--categorical as well as general expenditures. All Federal funds are excluded. Thus, the definition of expenditures under Title I, unlike the Wright Decree, excludes longevity and benefits, and includes state and local categoricals except for special education funds.

Means of Comparison

The two plans differ somewhat in regard to required comparisons. Both plans aggregate data at the school site and introduce the notion of a given percent variance. The Wright Decree applies only to the elementary level and compares each elementary school to every other school. The court prohibited any school from varying more than five percent from the District wide mean for all elementary schools; thus no two schools can vary from each other by more than 10 percent in per pupil expenditures for teachers salaries.[2]

Rather than comparing each school to every other school, Title I compares each Title I school to the average per pupil expenditure for instructional staff of non-Title I schools. While Title I schools may exceed the mean per pupil average for non-Title I schools, they cannot be more than five percent below this average. These comparisons allow schools to vary widely. Title I schools could be spending twice or three times the average non-Title I school. On the other hand, individual non-Title I schools could also be spending two or three times above or below other non-Title I schools. In addition to expenditure comparisons,

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[1]45 C.F.R. Sec. 116.26 (b)(4) (1975).

[2]The District could opt to exclude some schools from this stricture if adequate justification is demonstrated. Hobson II at 864.

Title I schols are also compared with the non-Title school average in regard to instructional staff to student ratio. Again, as with expenditures, each Title I school may not have a ratio of less than five percent of the non-Title I average.[1]

Reporting and Maintaining Compliance

The Wright Decree requires the District to submit an annual compliance report demonstrating compliance, by December 1, and including the following additional information:

> name, census data on neighborhood, average daily membership, number and percentage of children by race, percent of capacity of building being utilized, total number of teachers, pupil/teacher ratio, total operating expenditures from the regular budget, total expenditure for teachers' salaries and benefits from regular budget, total expenditures from Title I, total expenditures from United Planning Organization (UPO), per pupil expenditures from UPO, total expenditures from all sources, and per pupil expenditure.[2]

Any changes in computing data from year to year must be prominently displayed.

Title I regulations require a specified reporting schedule with provisions for public access to the school-by-school information upon which reports are based. To check comparability, schools must keep the following records:

> (1) Appropriate resource records, including records of children's enrollment, the total expenditure for salary and the amount thereof based solely on longevity for each full-time instructional staff member and the prorated total salary less the amount thereof based solely on longevity for each part-time instructional staff member; (2) worksheets showing the total number of full-time instructional staff members, and the total amount of state and local funds being expended for salaries for such full-time and part-time staff members less the total amount of such salaries based solely on longevity; and (3) appropriate records documenting the amount expended per pupil for

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[1] 45 C.F.R. Sec. 116.26 (c)(1)(2) (1975).

[2] The original decree had set October 1 as the reporting data. However, the District returned to court and requested that the date be changed to December 1. The court granted the change.

> textbooks, library resources, and other instructional materials and supplies actually available during the current school year.[1]

Finally, the regulations permit parent and community access to the comparability data. Parent Advisory Councils are not only assured access to certain information free of charge, but also they are to be provided with this information in time for review and consideration in order that they may participate in formulating the Title I project application. Neither The Wright Decree nor Title I regulations require any procedure for maintaining compliance during the year.

Fundamental Differences Between Wright Decree and Title I

In summary, while both the Decree and Title I provide some flexibility in designing an equalization plan, there are specific features that create fundamental differences between the two plans. These features are the definition of staff to be equalized, the treatment of longevity and the use of staff ratios.

The Title I definition of staff is more precisely defined than the Wright Decree and includes certain staff excluded from the court order. The clearest distinction is the inclusion of librarians and counselors and principals by Title I and their exclusion by the Wright Decree.[2] Other staff such as teacher aides and speech teachers are specifically included in Title I and left by the court order to the discretion of the school system.

The Wright Decree gives the system more decision-making power as to which personnel shall be included in equalization. Title I, on the other hand, because of its broad specification of personnel allows more flexibility in staff mix at the school site.

The inclusion of longevity in the Wright Decree represented a deliberate effort on the part of the court to provide some offsetting benefit to those schools which have a disproportionate number of experienced teachers.[3] The notion behind including longevity was that those schools (mainly with large populations of poor, black children) who traditionally were unable to employ experienced teachers might compensate for lack of experience by using the dollars other schools used to purchase experience to buy additional teacher services. Title I by excluding longevity does not offer this option to such schools.

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[1]45 C.F.R. 116.26 (j) (1975).

[2]While the court did not specifically exclude principals, the course of litigation makes it clear that the judge was not considering them in his equalization decision. Personal interview with Peter Rousselot, attorney for plaintiffs.

[3]Hobson II at 855.

Title I requires equalization of staff/student ratios. However, because the court wished to provide some schools with the option of trading off lower pupil teacher ratios for more experienced teachers, no staff student ratio were employed in conjunction with longevity expenditures in the Decree, there would be no way for the District schools to comply with both requirements without assuring an equal experience mix in all schools.

Implementation of Wright Decree and Title I

A single equalization plan may result in different outcomes according to the manner in which it is implemented. As we have mentioned earlier, administrators make many choices, within the constraints of an equalization plan during implementation. Therefore, it is necessary to understand the choices the District made in implementing the current Wright Decree and Title I comparability regulations. This examination is important because it allows one to determine whether one might at a future date address some of the problems identified with the current obligation of the District to comply with both a court order and Federal regulations, by changing implementation procedures rather than by requesting changes in the basic equalization plans. In examining implementation procedures in the District of Columbia we once again follow our original framework for analysis: (1) the concept of equality chosen, (2) the resources equalized, (3) the definition of components and (4) the method of compliance.

Concept of Equality

In implementing the court order the District excluded special education students in self-contained classrooms, and the portion of time some students spend in the MIND program.[1] However, no other classification was developed for special treatment. Thus, the implementation of Judge Wright's decree resulted in a concept of equality that treated all children the same except for those in special education classes.

Since Title I requires that Title I monies be spent in schools with the highest concentration of children from low income families, the choice for the District of Columbia was in the definition used to determine poverty.[2]

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[1]MIND (Meeting Individual Needs Daily) was a program developed after the Hobson I decision eliminated tracking. It was developed to supplement the program for children with special learning problems who were assigned to regular classes.

[2]Title I gives the local school district several options for determining eligibility of children to receive Title I resources.

The District defined low income by a combination of the census definition of poverty for children 6-17, coupled with the number of children eligible for free lunch, with income weighted 60% and free lunch weighted 40%.[1] From this data, a figure was derived for the number of low income children in each school. The schools were then ranked according to the percentage of low income children that they served. Schools with the highest concentration of children from low income families were chosen as Title I schools.

The Resources to be Equalized

The resource to be distributed under the court decree was teacher salary expenditures, including longevity and benefits, and under Title I the resource was instructional staff expenditures, minus longevity; instructional staff/student ratios; and, if necessary, supplies and materials.

Definition of Components

Pupil. The Wright Decree did not define pupil, whereas Title I required the use of enrollment. The definition of pupils chosen by the District to implement both plans was the same. In its implementation the school system employed a full time equivalent, point in time enrollment (official fall membership) pupil definition.[2] Special education children in self-contained classrooms were excluded; however, special education children in regular classrooms were counted.

Staff. As already mentioned, the Wright Decree allowed flexibility in the definition of staff whereas Title I did not. The school system in its implementation of the court order excluded all special education teachers, whether in full time classrooms or not, speech teachers, counselors, social workers, psychologists, coordinators, librarians, and principals, and defined a teacher as a person who taught regular classes or special subjects (art, foreign language, language arts, mathematics, music, physical education, reading and science) to kindergarten through sixth grade. In 1974-75 the grade level was extended to include pre-kindergarten and teacher aides were added to the definition of "teacher."[3]

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[1] Selection of Eligible ESEA Title I Attendance Areas for Fiscal Year 1976. District of Columbia Public Schools, 1975.

[2] September 25, 1975 for the 1975-76 school year. Title I regulations required school districts to count pupils in 7th and 8th grades housed in elementary schools as elementary students. Seventh and 8th graders in junior high school buildings are treated as a separate group.

[3] Title I requires junior high equalization of resources when funds are expended at that educational level. Generally, as in the District of Columbia, junior high buildings are equalized separately from elementary school buildings.

Expenditures. Although the definition of expenditures in the two plans is fundamentally different in that one definition includes longevity and benefits and the other excludes longevity, the same data source was used to compute both.

Use of the same data was possible because of the choices available under the Wright Decree. Although the fund source of the court order was potentially broader, the District chose to use only regular budget funds essentially reducing the Decree to the specifications of Title I regarding fund source. Again, although it was not specified in the court order, the District chose to annualize expenses at a particular point in time, thus creating specifications similar to Title I.

In implementing the point in time measure, decisions were made as to how to count teachers on leave and how to treat vacancies. In regard to teachers on leave, the salary of the replacement teacher is used except when the leave is for pregnancy.[1] The salaries for vacant positions were assigned dollar figure equal to the average teacher salary, and vacant positions were computed and distributed.

Means of Comparison

No choices in implementation were allowed under the two plans as regards means of comparison. Level of aggregation was somewhat unclear in both plans. For the Wright Decree the District chose to compare elementary schools defined as school units covering grades pre-kindergarten through sixth grade. In Title I pre-kindergarten was excluded and those few elementary schools with grades 7 and 8 were included as elementary schools and the students were included in the count.

Reporting and Maintaining Compliance

Neither plan has any requirement to demonstrate a maintenance of compliance. No procedures have been developed by the District to insure that compliance with either plan is maintained over time, and during the course of the year there is no obligation (or procedure) regarding staff assignments to consider the effect of such assignments on equalization. Periodic monitoring is done.[2]

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[1] In the initial 1971 equalization effort the salary of all teachers on leave were included, however, in 1972-1973 this was changed. See Baratz, A Quest for Equal Educational Opportunity, p. 81-82.

[2] Personal communication, Dr. Mildred Cooper, Assistant Superintendent for Planning and Research, D. C. Public Schools.

OPTIONS AVAILABLE TO THE D.C. PUBLIC SCHOOLS

In considering the changes in equalization plans and procedures the District might make to create an alternative method for distributing funds so that they are dispersed equitably and in a manner that is educationally sound, it would appear that the following options are available:

1. change procedures for implementation of both the Wright Decree and Title I regulations;

2. comply with either the Wright Decree or Title I a. with existing procedures, or b. with altered implementation procedures; or

3. create a new equalization plan with new procedures.

This section will discuss the possible advantages and disadvantages of each of these options. Here again it is important to understand that the advantages or disadvantages of a particular plan are value judgments that are very likely to be influenced by the perceived political and technical realities present at the time. A particular feature could be positive or negative depending on these realities. For example, one might have a plan that has flexibility in defining staff and expenditures, and thus allows latitude to decision-makers in their implementation of the plan. This may be seen by some as an advantage in that it allows for diversity in the system, and permits innovation without too much difficulty. However, that flexibility might appear to others as a disadvantage if it is seen as a potential for abuse.

Change Procedures for Implementation of both the Wright Decree and Title I

Let us quickly review the major differences between the two plans and how with changes in current implementation the disruptions in compliance might be reduced to a minimum, and the educational soundness of the dual compliance enhanced.

The Differences between the Wright Decree and Title I

Which staff is to be equalized? The Wright Decree is less specific than Title I, and the point of greatest difference is over the inclusion of librarians, counselors, coordinators and principals.

Which definition of expenditure is to be employed? This is the biggest discrepancy between the two plans, and one that allows for the least flexibility. The Wright Decree is very specific about the need for equalization

to include longevity payments. Title I explicitly excludes such payments. In addition, Title I has a staff/pupil ratio requirement. Nonetheless, the District could comply with both of these plans with their divergent definitions of expenditures by assuring that in equalizing personnel for the Wright Decree compliance, there is a variety of experience mix among the teaching staff in each school. Furthermore, the system might broaden its definition of teacher thereby giving each school more personnel to deal with for equalization purposes. This would allow schools a greater opportunity in distributing experience mix and would also broaden the range of personnel to be used for equalization. While this type of implementation meets the requirements of both plans, it does eliminate the option available in the court order for certain schools to have reduced pupil/teacher ratios by employing more inexperienced teachers. On the other hand, such a proposal does assure that all schools will have a comparable mix of experienced and inexperienced staff.

What standard should be used to determine compliance? While the Wright Decree uses a District-wide mean, Title I uses a non-Title I school average. It is possible to make these compatible by using a district-wide mean for both plans. Such a decision eliminates the option under Title I to spend considerably more than +5% in Title I schools; however, an examination of past implementation of Title I indicates that the District of Columbia did not exercise this option.

<u>One Procedure for Reducing Disruption in Complying with Both Plans</u>

Because the District presently must comply with both equalization plans, we have developed a procedure that represents one possible plan for assuring that disruptions are kept at a minimum and compliance is effected with both the court order and the Federal regulations. This procedure is not meant as a substitute for creating a new equalization plan, but rather is offered as a reasonable procedure to be used while efforts are undertaken to develop a new alternative.

1. Establish a school-by-school projected enrollment figure in the spring that is as accurate as possible. Such a figure should consider changes in a school's enrollment over the past few years; and analysis of the relationship of past average daily membership and fall enrollment figures; and specific demographic changes in each school area. The projected figure should be sent to each principal with an explanation of how it was derived. Principals should indicate acceptance of the figure or present evidence of what changes are necessary. In disputes, the principal's figures should be final since the school he or she is responsible for must bear the brunt of any staff shifts that might subsequently be necessary due to inaccurate enrollment estimates. The agreed upon projected enrollment figure would then be used to prepare the report to the court.

2. To minimize teacher shifts, withhold 3% of the available teaching positions--to be assigned to schools when adjustments are made in October.

3. Observing local school priorities, equalize expenditures during the summer within plus or minus 3% of the District wide mean. Make the necessary staff transfers by the beginning of August, and submit this compliance report to the Court by September 1.

4. Withhold 3% of available instructional staff positions covered under Title I but not by the Wright Decree to be assigned to schools when adjustments are made in October. After equalization for the court has been completed make changes in the assigned instructional staff as needed for Title I comparability.

5. Toward the end of September collect actual enrollment figures and a record of all instructional staff assigned to the school, including the percent of time each spends in the school. Such a record will include all staff to be covered under Title I and the court order. Principals should note any differences between the staff actually in the school and the staff reported on the Compliance Report.

6. The final week in September should be spent examining differences and making adjustments to assure compliance with Title I by the October date set by the Commissioner of Education.

7. The actual enrollment data should be compared with the projected summer figures.[1] If the enrollment of a school deviates from the projection by more than 10% the pupil/teacher ratio should be examined. Staff should be added or withdrawn if the pupil/teacher ratio is plus or minus 5% of the district wide ratio for all

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[1]Projected figures have not been used in the past few years because the initial equalization attempt yielded problems with projected enrollment and filled teacher position assignments. The initial attempt, unlike the procedures recommended here, did not include a procedure for fall review and adjustment. The Office of Planning, Research and Evaluation, under the direction of Dr. Mildred Cooper, has begun new procedures to strengthen the accuracy of projected enrollment figures.

elementary schools. The use of the 3% withheld staff should minimize losses to individual schools. Again, local priorities should be observed wherever possible.

8. Compute these teacher changes with the other school-by school data on instructional staff and use the withheld instructional staff to meet Title I requirements (again keeping losses at a minimum).

9. Make all reassignments by October 1.

10. Finally, publish a report indicating the enrollment, the actual teaching positions and other instructional staff (including percent of time, and whether the position is filled or vacant) in each school.

This procedure meets the court requirements: it reports to the court a resource allocati. plan based on teachers' salaries (longevity and benefits included) and the most accurate enrollment figures available. In addition, although the court does not specifically require it, the procedures include a plan for adjusting for inequities that result from incorrect estimates.

Finally it is recommended that a monthly equalization report be completed and sent to regional administrators and principals so that the equalization status of a school may be considered in the decision-making process as staffing changes occur during the course of the year.

While the above procedures allow compliance with both Title I and the Wright Decree, the disadvantages are clear: it is more difficult than complying with one plan; it limits the flexibility of administrators; and it is not adding any educational benefits. The advantage of complying with both plans is that it eliminates the necessity of returning to the court or seeking an exemption from the Office of Education.

Comply with the Wright Decree or Title I

In the past the District administrators unsuccessfullly appealed to the Office of Education to allow them to substitute the Wright Decree compliance for the Title I comparability report. Discussions with the Federal Title I staff involved in that decision indicate that a chief concern was the credibility of the school system as to why they were unable to comply with both plans. The District of Columbia School System has not appealed to the court to allow them to substitute the Title I comparability report for the Wright Decree Equalization Report. It would appear that an appeal to either of these agencies must demonstrate the following:

1. a description and explanation of the requirements of the Wright Decree and of Title I Comparability Regulations, including the manner in which the District presently implements both;

2. a description of how the various requirements may differ and conflict;

3. an empirical and statistical display of how the two equalization requirements conflict; and,

4. an educational justification for the proposed changes.

The credibility of the D.C. school data has been questioned in the past by parties to the Hobson v. Hansen suit, parents and school board members, and Title I officials in the Office of Education. Recent school system efforts have begun to improve the reliability of school site data. It is critical that school officials be able to muster reliable data when they make their appeal for a new alternative to the court or to the Office of Education. As one attorney familiar with the court orders and the District's past litigation history observed:

> In my judgment, the most critical single factor needed to convince Judge Wright and the Office of Education either to modify both equalization requirements or to accept one over the other is a demonstration that the spirit of the requirement to be modified will be met by the District's proposed modification. To do that to their satisfaction, I am convinced that both OE officials and Judge Wright will require the presentation of actual data. Thus, for example, if the school system were to ask Judge Wright to modify his equalization order to coincide completely with the comparability regulations, I feel certain that he would ask to what extent, if any, the inequalities that prompted him to issue his order in 1971 would be masked by the comparability regulations. Conversely, I suspect the reason that USOE officials refused to view the 1973 Wright Decree compliance report as a satisfactory substitute for a comparability report was that they were not convinced that compliance with the Wright Decree in fact met the comparability requirements.[1]

The District has already made progress towards improving the reliability of their data. An accurate personnel data file on a school by school basis, the position control file (PCF), has been developed to assure that hiring and assignment are governed by authorized budget positions. A data file listing all staff and amount of time spend in each elementary

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[1]Letter from R. Stephen Browning to Dr. James A. Johnson, Jr., Associate Superintendent, D.C. Public Schools, October 22, 1974.

and junior high school has been created.[1]

The basic difference between Title I and the Wright Decree which complicates compliance with both is the treatment of longevity. In order to substitute one plan for both, it would be necessary for the District Public Schools to demonstrate the effect of longevity and to make comparisons among school populations with different racial and socio-economic characteristics. Are experience mixes similar across these populations? In addition, the effect of the Title I staff to student ratio requirement on the distribution of the staff according to District prescribed ratios must be examined.[2]

In addition to longevity, the different means for comparison in Title I and the court order need to be carefully examined. While the use of a District wide mean for Title I would not effect its intent, the use of a non-Title I school average in Wright Decree compliance poses serious questions. Would such a mean allow for wide discrepancies among schools? If so, what is the educational justification of such discrepancies?

Decentralization and School Site Budgeting in Creating an Alternative Equalization Plan

We discussed earlier that decentralization is an administrative and legal issue to be considered in the implementation process of equalization. One type of decentralization, school site lump sum decision-making, has received wide attention as a potential means of more efficiently meeting the needs of children and creating greater equalization of resources within a school system.[3] For purposes of this discussion we shall define

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[1]Prior to 1975-76 no separate data file for Title I comparability existed. The payroll file, which did not necessarily reflect where teachers rendered services, had been used to compute comparability. Merger of the payroll file with the equalization file had helped somewhat, but the data was still not accurate. In 1975-76, Dr. Mildred Cooper developed a separate file to be used for Title I compliance. Personal communication, 1976.

[2]For an example of how the District of Columbia Public Schools might develop a procedure to secure the data necessary for implementing alternative equalization plans, see the accompanying report prepared by Applied Urbanetics. Inc.

[3]J. Guthrie, School Budgeting: The Relative Advantages of Centralized and School Site Budget Development. Unpublished paper, 1975.

lump sum school site budgeting as an administrative process whereby an individual school receives a specified amount of monies that is to be spent by the school. There are few examples of lump sum school site decision-making. In some instances the decision-making at the school site level is made by the principal, in other instances it is made by a committee composed of teachers and the principal, and still other instances there is community input into the decision-making process.[1] The notion behind school site decision-making is simple: those at the school level are most likely to know what the needs are of the children they teach.

Lump sum school site decision-making in theory could cover the entire range of spending in a school building, or it could be limited to decisions concerning personnel, supplies, etc. In those instances where lump sum budgeting has been attempted, the amount of money available to a school, regardless of the extent of discretion in expenditure decisions, has been related to the number of pupils.

Optimally, one could develop lump sum budget making to include all decision-making at the school site. In this case a local school might be given a set figure for expenditures per pupil (perhaps based on weightings in regard to student need, building capacity, etc.) to spend as the local decision makers felt appropriate. The school building would in effect be a "mini system" responsible for hiring personnel, maintaining supplies, developing programs, etc. In such an operation, a principal could decide to hire teachers with money that might heretofore gone for counselors, social workers, etc. Indeed, a principal might well decide to contract out certain services -- janitorial, clerical, etc. rather than maintain such individuals on staff.[2] In effect, each school administrator would have to carefully sit down and examine the money available, the needs of the children and the most economical and efficient way for meeting those needs within the budget.

The advantages of lump sum school site budgeting that have been cited include: better morale of staff, improved communication among principals, reduction of central administrative staff, greater innovation in education and increased understanding of the budgeting process by school administrators and community. The disadvantages cited include: unprepared local administrators who overspend, less expertise at the local level to deal with budget and financial issues, increased administrative duties and costs at the local level, increased monitoring costs.

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[1]School site lump sum decision-making has been instituted in two sites in California and three sites in Florida. To date, the data has not demonstrated that it is a more equitable process than centralized budgeting. Norman Seward, Centralized and Decentralized School Budgeting: A Comparative Analysis, Ph.D. dissertation, University of California, Berkeley, 1975.

[2]These suggestions do not take into account possible legal constraints on such actions.

At present little information exists as to the benefits and burdens of school site budget decision-making. In addition, local school decision-makers would have to face the same problems that the central administration is grappling with -- rising costs, union demands and restrictions on hiring, firing and transferring personnel, increased demands for accountability.[1] These problems are not likely to be alleviated merely by transferring the decision-making base and responsibility to the local level. Nonetheless, the local school site decision-making process in education appears to be very much in keeping with the democratic notion of greater participation in the decision-making process by those most likely to be affected by the decisions.

Regardless of where the decision gets made, for effective equalization to take place at the school site level, an information system must exist that can provide accurate and up-to-date information on the expenditures at the school site. Without such a system local school site decision-making would be impossible.

CONCLUSION

Judge Wright's court order allows the system to create an equalization plan not consistent with the present court order providing that the proposed alternative is specific, measurable and educationally justifiable. As earlier chapters have indicated there are many possible equalization plans that might be developed both within and beyond the current court order. A new alternative may choose to focus on a plan that gives children with specific characteristics more funds than the average child. A new alternative may move away from expenditures as the resource to be distributed and instead focus on services or programs. It may incorporate program and service elements into a plan based on expenditures. Before any alternative can be developed, a management information system that can provide the information necessary to devise, implement and monitor the plan must be operational. Without such a system, the District will not be able to demonstrate to the judge that its facts are credible, that it has a system than can deliver and monitor those resources that are to be equalized, and that the final distribution of resources is educationally justifiable.[2]

In creating any new alternative the District policy makers might begin by addressing those issues that have been identified as problems with current equalization efforts, and determine which of those problems stem from aspects inherent in the court order and which are the product of the manner in which

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[1] Lawyers' Committee, Legal Constraints, 1976.

[2] Hobson II at 863.

the court order has been implemented. What problems any new plan should alleviate; what educational features any plan should incorporate, and what specifics are educationally justifiable are all decisions that can only be made by the appropriate policy makers -- the school board and the school administration -- and can only be made when there is sufficient data to support those decisions.

POSTSCRIPT

Revised Title I Regulations
September 28, 1976

Since this report was completed the U. S. Office of Education has issued revised regulations regarding Title I. While these regulations have not affected the basic issues concerning constructing a resource allocation plan that is fair and meets the general requirements of Title I, there are a few minor changes in the regulations that should be noted:

1. the reporting date has been moved from October 1 to a date, chosen by the state, not later than November 1.[1]

2. the "instructional staff" members has been amended to include "clerical staff employed to assist instructional staff."[2]

3. an effort at dealing with wide disparities in enrollment among schools has been addressed by allowing, under certain conditions, a school district to compare larger schools with larger schools and smaller with smaller,[3] and

4. finally, the sanction that non-comparable schools must demonstrate comparable expenditures in materials and supplies has been deleted. Schools must, however, present assurance of policies designed "to assure that textbooks, library resources and other instructional materials and supplies" are comparable.[4]

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[1] 41 FR 42903, 42921, Section 116a.26 (c), September 28, 1976.

[2] Ibid., 116a.26 (b)(6).

[3] Ibid., 116a.26 (i)(4).

[4] Ibid., 116a.26 (h)(3).